

# House Study Bill 675

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR'S BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act providing hardship grants on behalf of veterans seriously  
2 injured in a combat zone, providing an income tax exclusion,  
3 and including an effective date and retroactive applicability  
4 provision.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 5781XL 81  
7 ec/je/5

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1 1 Section 1. NEW SECTION. 35A.14 VETERANS APPRECIATION  
2 PROGRAM == GRANTS.  
3 1. For the purposes of this section, "veteran" means a  
4 resident of this state who is or was a member of the national  
5 guard, reserve, or regular component of the armed forces of  
6 the United States who has served at least ninety days of  
7 active duty at any time after September 11, 2001, and, if  
8 discharged, was discharged under honorable conditions.  
9 2. A veterans appreciation program is created under the  
10 control of the department for the purpose of providing  
11 hardship grants to eligible veterans.  
12 3. Moneys appropriated to the department for providing  
13 veterans appreciation grants under this section may be  
14 expended for one-time hardship grants of up to ten thousand  
15 dollars to a seriously injured veteran who received a combat=  
16 related injury while serving in a combat zone or in a zone  
17 where the veteran was receiving hazardous duty pay since  
18 September 11, 2001.  
19 4. The commission shall adopt rules governing the  
20 distribution of hardship grants under this section.  
21 Sec. 2. Section 422.7, Code Supplement 2005, is amended by  
22 adding the following new subsection:  
23 NEW SUBSECTION. 45. Subtract, to the extent included, the  
24 amount of any grant provided pursuant to the veterans  
25 appreciation program pursuant to section 35A.14.  
26 Sec. 3. EFFECTIVE DATE == RETROACTIVE APPLICABILITY.  
27 1. The section of this Act creating section 35A.14, being  
28 deemed of immediate importance, takes effect upon enactment  
29 and is retroactively applicable to veterans seriously injured  
30 after September 11, 2001, and is applicable on and after that  
31 date.  
32 2. The section of this Act amending section 422.7, being  
33 deemed of immediate importance, takes effect upon enactment  
34 and is retroactively applicable to January 1, 2006, and is  
35 applicable for tax years beginning on and after that date.

### EXPLANATION

2 1 This bill establishes a veterans appreciation program under  
2 2 the control of the department of veterans affairs.  
2 3 New Code section 35A.14 establishes the veterans  
2 4 appreciation program. Moneys appropriated to the department  
2 5 for this program may be expended by the department of veterans  
2 6 affairs for one-time hardship grants of up to \$10,000 for  
2 7 seriously injured veterans sustaining a combat-related injury  
2 8 while serving in a combat zone or hazardous duty pay zone  
2 9 since September 11, 2001. The bill also requires that the  
2 10 commission of veterans affairs adopt rules governing the  
2 11 distribution of these grants. The new section takes effect  
2 12 upon enactment and applies retroactively to veterans seriously  
2 13 injured after September 11, 2001.  
2 14 The bill also amends Code section 422.7 to provide that  
2 15 grants received under this program are subtracted from net  
2 16 income for purposes of taxation. This provision takes effect  
2 17 upon enactment and is applicable to tax years beginning on or  
2 18

2 19 after January 1, 2006.  
2 20 LSB 5781XL 81  
2 21 ec:rj/je/5.2